

BILLING CODE (3410-XY-U) DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Notice of Funds Availability for the Rural Microentrepreneur Assistance Program for Fiscal Year 2014

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: This Notice announces the funds available for loans and grants under the Rural Microentrepreneur Assistance Program (RMAP) pursuant to 7 CFR part 4280, subpart D for fiscal year (FY) 2014.

Total Funding: \$25,461,661

Microlender TA Grants: \$1,500,000

Loans: \$23,961,661

The minimum loan amount a Microenterprise Development Organization (MDO) may borrow under this program is \$50,000. The maximum loan any MDO may borrower in any given year is \$500,000. The commitment of program dollars will be made to applicants of selected responses that have fulfilled the necessary requirements for obligation.

All applicants are responsible for any expenses incurred in developing their applications.

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DATES: Applications will be accepted on a quarterly basis using Federal fiscal quarters. Completed applications must be received in the U.S. Department of Agriculture (USDA) Rural Development State Offices no later than the deadline of June 30, 2014, to be considered for funds available in FY 2014. Applications received after a Federal fiscal quarter deadline will be reviewed and evaluated for funding in the next Federal fiscal quarter. Depending on funding availability, eligible applications not funded in FY 2014 may continue to be considered in FY 2015.

ADDRESSES: Applications and forms may be obtained from any Rural Development State Office. Applicants must submit an original complete application to the USDA Rural Development State Office in the State where the applicant's headquarters is located. A list of the USDA Rural Development State Offices addresses and telephone numbers can be found online at: http://www.rurdev.usda.gov/StateOfficeAddresses.html.

FOR FURTHER INFORMATION CONTACT: For further information on this Notice, please contact the USDA Rural Development State Office for your respective State, as provided in the **ADDRESSES** section of this Notice.

SUPPLEMENTARY INFORMATION:

Environmental Impact Statement

This document has been reviewed in accordance with 7 CFR part 1940, subpart G, "Environmental Program." Rural Development has determined that this action does

not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. 4321 et seq., an Environmental Impact Statement is not required.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act, the paperwork burden associated with this Notice has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570–0062.

Overview

<u>Federal Agency Name</u>: Rural Business-Cooperative Service (an agency of the U.S. Department of Agriculture in the Rural Development mission area).

Solicitation Opportunity Title: Rural Microentrepreneur Assistance Program.

Announcement Type: Initial announcement.

<u>Catalog of Federal Domestic Assistance Number (CFDA)</u>: The CFDA number for this Notice is 10.870.

<u>Dates</u>: Applications will be accepted on a quarterly basis using Federal fiscal quarters. Completed applications must be received in the U.S. Department of Agriculture (USDA) Rural Development State Offices no later than the deadline of June 30, 2014, to be considered for funds available in FY 2014. Applications received after a Federal fiscal quarter deadline will be reviewed and evaluated for funding in the next Federal fiscal quarter. Depending on funding availability, eligible applications not funded in FY

2014 may continue to be considered in FY 2015.

Availability of Notice and Rule. This Notice and the interim rule for RMAP are available on the USDA Rural Development Web site at http://www.rurdev.usda.gov/BCP_RMAP.html.

I. Funding Opportunity Description

A. <u>Purpose of the Program</u>. The purpose of RMAP is to support the development and ongoing success of rural microentrepreneurs and microenterprises (businesses generally with 10 employees or fewer and in need of financing in the amount of \$50,000 or less as defined in 7 CFR 4280.302).

Assistance provided to rural areas under this program may include the provision of loans and grants to rural MDOs for the provision of microloans to rural microenterprises and microenterpreneurs; provision of business-based training and technical assistance to rural microborrowers and potential microborrowers; and other such activities as deemed appropriate by the Secretary to ensure the development and ongoing success of rural microenterprises.

B. <u>Statutory Authority</u>. The RMAP is authorized by Section 379E of the Consolidated Farm and Rural Development Act (7 USC 2008s). Regulations are contained in 7 CFR Part 4280, subpart D.

C. <u>Definition of Terms</u>. The definitions applicable to this Notice are published at 7 CFR 4280.302.

II. Award Information

A. Type of Award: Loan and/or Grant

B. Fiscal Year Funds: FY 2014

C. <u>Total Funding</u>: \$25,461,661

Microlender TA Grants: \$1,500,000

Loans: \$23,961,661

D. Approximate Number of Awards: 50

E. Anticipated Award Date: Fourth Quarter, September 1, 2014

In the event some program funds allocated for a particular quarter of FY 2014 are not obligated, the remaining unobligated funds will be carried over to the next Federal fiscal quarter. Any FY 2014 funds not obligated under this Notice will be carried over into FY 2015.

III. Eligibility Information

- A. <u>Eligible Applicants</u>. To be eligible for this program, the applicant must meet the eligibility requirements in 7 CFR 4280.310. As mentioned later in this Notice regarding corporate Federal tax delinquencies, applicants that are not delinquent on any Federal debt or otherwise disqualified from participation in this program are eligible to apply. All other restrictions in this Notice will apply.
- B. <u>Cost Share Requirements</u>. The Federal share of the eligible project cost of a microborrower's project funded under this Notice shall not exceed 75 percent. The cost share requirement shall be met by the microlender in accordance with the requirements specified in 7 CFR 4280.311(d).
- C. <u>Matching Fund Requirements</u>. The MDO is required to provide a match of not less than 15 percent of the total amount of the grant in the form of matching funds, indirect costs, or in-kind goods or services.
- D. Other Eligibility Requirements. Applications will only be accepted from eligible MDOs. Eligible MDOs must score a minimum of 70 points out of 100 points to be considered to receive an award. Awards each Federal fiscal quarter will be based on ranking with the highest ranking applications being funded first, subject to available funding.

E. <u>Completeness Eligibility</u>. All applications must be submitted as a complete application, in one package. Applications will not be considered for funding if they do not provide sufficient information to determine eligibility or are unbound, falling apart, or otherwise not suitable for evaluation. Such applications will be withdrawn.

IV. Fiscal Year 2014 Application and Submission Information

A. <u>Application Submittal</u>. MDOs may submit an initial application for a loan with a microlender TA grant or an initial or subsequent loan only (without a microlender TA grant). A MDO does not need to submit an application for its microlender TA grant. The procedures for annual microlender TA grants are addressed in section VI.

Loan applications must be submitted in paper format. If applications are submitted in paper format, they must be bound in a 3-ring binder and must be organized in the same order set forth in 7 CFR 4280.315. To ensure timely delivery, applicants are strongly encouraged to submit their applications using an overnight, express, or parcel delivery service.

Federal Funding Accountability and Transparency Act. All applicants, in accordance with 2 CFR Part 25, must have a Dun and Bradstreet Data Universal Number System (DUNS) number, which can be obtained at no cost via a toll-free request line at 1-866-705-5711 or online at http://fedgov.dnb.com/webform. Similarly, all applicants for grants must be registered in the System for Award Management (SAM) prior to

submitting an application. Applicants may register for the SAM at http://www.sam.gov. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR Part 170.

- B. <u>Content and Form of Submission</u>. An application must contain all of the required elements outlined in 7 CFR 4280.315. Each application must address the applicable scoring criteria presented in 7 CFR 4280.316 for the type of funding being requested.
- C. <u>Submission Dates and Times</u>. The original complete application must be received by the USDA Rural Development State Office no later than 4:30 p.m. local time by the application deadline dates listed above, regardless of the postmark date, in order to be considered for funds available in that Federal fiscal quarter.

Unless withdrawn by the applicant, completed applications that receive a score of at least 70 (the minimum required to be considered for funding), but have not yet been funded, will be retained by the Agency for consideration in subsequent reviews through a total of four consecutive quarterly reviews. Applications that remain unfunded after four quarterly reviews, including the initial quarter in which the application was competed, will not be considered further for an award.

V. Application Review Information

Awards under this Notice will be made on a competitive basis each Federal fiscal quarter. Each application received in the USDA Rural Development State Office will be reviewed, scored, and ranked to determine if it is consistent with the program requirements. Applications will be scored based on the applicable scoring criteria contained in 7 CFR 4280.316. Failure to address any of the applicable scoring criteria will result in a zero-point score for that section. An application must receive at least 70 points to be considered for funding in the quarter in which it is scored.

VI. Subsequent Annual Microlender Technical Assistance Grants

In accordance with 7 CFR 4280-D, section 4280.313(b)(2), "Microlender Technical Assistance (TA) grants will be limited to an amount equal to not more than 25 percent of the total outstanding balance of microloans made under this program and active by the microlender as of the date the grant is awarded for the first \$400,000 plus an additional 5 percent of the loan amount owed by the microborrowers to the lender under this program over \$400,000 up to and including \$2.5 million. Funds cannot be used to pay off the loans. Any grant dollars obligated, but not spent, from the initial grant, will be subtracted from the subsequent year grant to ensure that obligations cover only microloans made and active."

To determine the Microlender TA Grant awards for FY 2014, the Agency will use the Microlender's outstanding balance of microloans as of June 30, 2014, to calculate this amount. MDO's that are eligible for an annual grant may apply.

Awards will be determined non-competitively based on Agency appropriations for the fiscal year. The MDO must submit a prescribed worksheet listing the outstanding balance of their microloans and unexpended grant funds as of the date of their request and a letter certifying that their organization still meets all the requirements set forth in 7 CFR 4280 and that no significant changes have occurred within the last year that would affect its ability to carry out their MDO functions. In addition, all MDOs who request Subsequent Annual Microlender Technical Assistance Grants must complete their reporting into the Lenders Interactive Network Connection (LINC) for the Federal fiscal quarter ending June 30, 2014. The deadline for reporting into LINC and requesting TA grant is no later than 4:30 p.m. (local time) on July 31, 2014.

VII. Award Administration Information

Successful applicants will receive notification for funding from the USDA Rural Development State Office. Applicants must comply with all applicable statutes and regulations before the award will be approved. Unsuccessful applications will receive notification by mail.

VIII. Agency Contacts

For general questions about this Notice, please contact your USDA Rural Development State Office as provided in the Addresses section of this Notice.

NONDISCRIMINATION STATEMENT:

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the <u>USDA Program Discrimination Complaint Form</u> (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Individuals who are deaf, hard of hearing, or have speech disabilities and you

wish to file either an EEO or program complaint please contact USDA through the

Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see

information above on how to contact us by mail directly or by email. If you require

alternative means of communication for program information (e.g., Braille, large print,

audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and

TDD).

Lillian E. Salerno

Administrator

Rural Business-Cooperative Service

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Dated: May 1, 2014.

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